

**VERMONT
STATE SYSTEM OF
CARE PLAN
FOR
DEVELOPMENTAL SERVICES**



**FY 2003 UPDATE
YEAR 2 OF THREE-YEAR PLAN**

**Effective:
August 1, 2002 – June 30, 2003**

Vermont State System of Care Plan for Developmental Services

FY 2003 Update
YEAR 2 OF THREE-YEAR PLAN

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INTRODUCTION

This is the FY 2003 update to the 3-year *State System of Care Plan* covering the period of August 1, 2002– June 30, 2003. The Developmental Disabilities Act of 1996 requires the Department of Developmental and Mental Health Services (DDMHS), to adopt a plan describing the nature, extent, allocation and timing of services that will be provided to people with developmental disabilities and their families. The *State System of Care Plan*, together with the Division of Developmental Services *Annual Report*, covers all requirements outlined in developmental disabilities statute.

During the last year, the State of Vermont's fiscal picture changed dramatically. Shortly after the adoption of the three-year *State System of Care Plan* in August 2001, State government implemented rescissions in order to maintain state expenditures within the boundaries of estimated revenues. These rescissions impacted on the nature, extent, allocation and timing of services for people with developmental disabilities and resulted in the suspension of a number of the funding priorities. An amendment to the *State System of Care Plan* went into effect on December 1, 2001. The legislature reviewed the Governor's recommendations and in the end made only slight revisions. A summary of the rescissions and the legislative action is contained on page 4.

As we enter FY 2003, the financial picture has not improved. In terms of new caseload dollars, the Division has less than half of the state funds that have been appropriated in each of the previous 4 years by the legislature. This negatively impacts the ability to make any specific changes to the suspended funding priorities, and in fact, leaves the system with fewer new dollars than were available in FY 2002 after the rescission. Additionally, budget rescissions during FY 2003 are possible.

Given the fiscal situation it is important, more than ever, to hold true to the principles and values that has sustained this system of support through other rough times. Fewer resources will, without question, make that more difficult. It will be a challenge to hold true to these principles in light of declining resources, and in some cases it may not be totally possible. We may be forced to make decisions and choices that are not desirable, but it makes it even more critical that mutual respect and caring is present among all of us.

PRINCIPLES OF DEVELOPMENTAL SERVICES

The Developmental Disabilities Act of 1996 (DD Act) states that services provided to people with developmental disabilities and their families shall foster and adhere to the following principles:

- ∞ **Children's Services.** Children, regardless of the severity of their disability, need families and enduring relationships with adults in a nurturing home environment. The quality of life of children with developmental disabilities, their families and communities is enhanced when the children are cared for within their own homes. Children with disabilities benefit by growing up in their own families; families benefit by staying together; and communities benefit from the diversity provided when people of varying abilities are included.
- ∞ **Adult Services.** Adults, regardless of the severity of their disability, can make decisions for themselves, can live in typical homes, and can contribute as citizens to the communities where they live.
- ∞ **Full Information.** In order to make good decisions, people with developmental disabilities and their families need complete information about the availability and choice of services, the cost, how the decision making process works, and how to participate in that process.
- ∞ **Individualized Support.** People with disabilities have differing abilities, needs, and goals. Thus, to be effective and efficient, services must be individualized to the capacities, needs, and values of each individual.
- ∞ **Family Support.** Effective family support services are designed and provided with respect and responsiveness to the unique needs, strengths, and cultural values of each family and the family's expertise regarding its own needs.
- ∞ **Meaningful Choices.** People with developmental disabilities and their families cannot make good decisions unless they have meaningful choices about how they live and the kinds of services they receive. Effective services are flexible so they can be individualized to support and accommodate personalized choices, values and needs and assure

PRINCIPLES OF DEVELOPMENTAL SERVICES

that each recipient is directly involved in decisions that affect that person's life.

- ∞ **Community Participation.** When people with disabilities are segregated from community life, all Vermonters are diminished. Effective services and supports foster full community participation and personal relationships with other members of the community. Community participation is increased when people with disabilities meet their everyday needs through resources available to all members of the community.
- ∞ **Employment.** The goal of job support is to obtain and maintain paid employment in regular employment settings.
- ∞ **Accessibility.** Services must be geographically available so that people with developmental disabilities and their families are not required to move to gain access to needed services, thereby forfeiting natural community support systems.
- ∞ **Health and Safety.** The health and safety of people with developmental disabilities is of paramount concern.
- ∞ **Trained Staff.** In order to assure that the purposes and principles of this chapter are realized, all individuals who provide services to people with developmental disabilities must have training as required by section 8731 of this title.
- ∞ **Fiscal Integrity.** The fiscal stability of the service system is dependent upon skillful and frugal management and sufficient resources to meet the needs of Vermonters with developmental disabilities.

FISCAL RESOURCES – UPDATED FY 2002

At the beginning of FY 2002 the Division of Developmental Services had an appropriated budget of combined state general funds and federal Medicaid funds of **\$82,699,894** in support of people with developmental disabilities.

During the FY 2002 rescissions, a total of **\$1,687,540** was reduced from this budget as follows (items in parentheses indicates an amount subtracted):

<u>FY 2002 Administration Changes</u>	<u>GF</u>	<u>Total</u>
Respite Care/Flexible Family Funding		
• Reduce statewide respite homes from 5 to 4	\$(23,777)	\$(23,777)
• Eliminate new FY 2002 appropriation	(89,760)	(89,760)
New Caseload Appropriation	(154,884)	(417,477)
Base Budget Cut for Existing Services	(349,518)	(942,097)
Guardianship Services Fund	(14,000)	(14,000)
Division Personal Services/Operating	<u>(55,513)</u>	<u>(100,429)</u>
Subtotal	(687,452)	(1,587,540)
Reduction of one-time funds for Self-determination Project	<u>(100,000)</u>	<u>(100,000)</u>
TOTAL ADMINISTRATION CHANGES	<u>\$(787,452)</u>	<u>\$(1,687,540)</u>

However, the Legislature provided some one-time funding in FY 2002 to assist with the above cuts for that year:

<u>FY 2002 Legislative Changes</u>	<u>GF</u>	<u>Total</u>
Respite Care/Flexible Family Funding (one-time)	90,000*	90,000*
“June Graduate” funding (one-time)	<u>50,000*</u>	<u>134,771*</u>
TOTAL LEGISLATIVE CHANGES	<u>\$140,000*</u>	<u>\$224,771*</u>

*NOTE: Respite Care/Flexible Family Funding and “June Graduate” funding are one time only and **not** included in the base budget going into FY 2003. In order to include in ongoing funding, a request for budget adjustment is required for the 2003 legislative session.

FISCAL RESOURCES – FY 2003

For FY 2003, the Division of Developmental Services began with an appropriated budget of combined state general funds and federal Medicaid funds of **\$84,976,610**. This amount represents carrying forward the cuts of FY 2002; however, it also makes accommodations for a cost of living increase for the provider system and some modest caseload funding.

As a result of FY 2003 rescissions, a total of **\$263,243** combined state and federal funds will be reduced from the Division of Developmental Services budget. In order to avoid reductions to consumer services, a reduction of **\$107,736** will be taken from community developmental and mental health services provider administration budgets, and the Division will cut an additional **\$155,507** in personal services and operating expenses.

Existing Community Services	\$78,584,211
1.5% Cost of Living Increase for Community Services -- \$424,350 GF	1,133,716
New Base Funding for Consumer Needs	
Caseload -- \$500,000 GF	1,347,709
"June Graduates" -- \$200,000 GF	539,084
Division of Rate Setting	68,825
Salaries and Expenses for Guardianship Services, Quality Assurance and Division Administration	<u>3,303,065</u>
SUBTOTAL	\$84,976,610
Minus FY 2003 Rescissions	
Community Provider Agency Administration	213,953
Division of Developmental Services Personal Services and Operating	<u>155,507</u>
TOTAL	<u>\$84,607,150</u>

Between FY 2002 and FY 2003 the Division of Developmental Services operating and personal services funding has been reduced by a total of \$379,265 in state and federal funding.

FISCAL RESOURCES – FY 2003

Impact of Any Potential Additional Budget Rescissions During the Fiscal Year – As the fiscal year begins, it is apparent that Vermont state revenues are lower than needed. While initial budget rescissions in state government for fiscal year 2003 have exempted direct services for people with developmental disabilities from any cuts, updated revenue projections as the year progresses may bring a different story. Within the context of less than normal appropriations for new caseload and uncertain revenue projections, the top priorities for public funding of supports for people with developmental disabilities are the personal safety of individuals and the safety of the public (see Existing Caseload Funding Priorities; New Caseload Funding Priorities; One-time Caseload Funding Priorities).

Insufficient Funds to Meet Personal Safety and/or Public Safety – Monthly reports summarizing local funding committees' and equity committee's funding decisions will be provided to the Agency of Human Services. Neither local funding committees nor equity committee may allocate funding if insufficient resources are present to cover the needs. Immediate notification should be made to the Director of Developmental Services for situations where a DA has insufficient funds (either through reallocation of funding among current consumers; access to new caseload dollars; or equity fund resources) in situations affecting personal or public safety. The Division Director will pursue resource authorization or other strategies in order to meet the personal and/or public safety needs and respond to the DA as soon as possible.

SYSTEMS PLANNING -- UPDATES

Life Cycle				DEVELOPMENTAL SERVICES SYSTEMS PLANNING AND DEVELOPMENT FISCAL YEAR 2002 – FISCAL YEAR 2004 Summary of FY 2002 Activities		
Young Children	Transition Age	Adults	Older Adults			
X	X			Support Area	FY 2002	Comments
				<i>Family Services</i>	<ul style="list-style-type: none"> Define goal of children's services for DS; explore defining scope of services to family support 	<ul style="list-style-type: none"> Suspension of the funding priority regarding children & families impacted the number of individuals served in this area; DDS's Clinical and Children's Services Manager met with DS Directors to outline key areas of focus for children's services.
X	X	X			<ul style="list-style-type: none"> Explore waiver to convert Flexible Family Funding (FFF) to Medicaid; develop "family support" waiver while still keeping the "flexibility" of FFF 	<ul style="list-style-type: none"> New waiver template has been developed by the Centers for Medicaid and Medicaid Services (CMS) indicating increased potential to access federal resources and maintain flexibility. Develop application to submit by April 1, 2003.
		X			<ul style="list-style-type: none"> Consider redefining enhanced FFF for use only by adults who meet new caseload funding priorities 	<ul style="list-style-type: none"> New access to Enhanced Flexible Family Funding was eliminated in February 2002 until new resources become available; duplication of Enhanced FFF and Medicaid waiver was also eliminated.
	X	X			<ul style="list-style-type: none"> Clarify funding priority for support to parents with DD 	<ul style="list-style-type: none"> Completed.

SYSTEMS PLANNING -- UPDATES

Life Cycle				DEVELOPMENTAL SERVICES SYSTEMS PLANNING AND DEVELOPMENT FISCAL YEAR 2002 – FISCAL YEAR 2004 Summary of FY 2002 Activities - continued		
Young Children	Transition Age	Adults	Older Adults			
				Support Area	FY 2002	Comments
		X	X	<i>Family Services</i>	<ul style="list-style-type: none"> Clarify funding priority for adults facing loss of a family or minimally paid caregiver 	<ul style="list-style-type: none"> Completed.
X	X				<ul style="list-style-type: none"> Work with Dept. of Education and State Interagency Team regarding conflicts between Act 264 and DD Act 	<ul style="list-style-type: none"> Meeting in Orange County (where initial conflict identified) scheduled then cancelled; has not been subsequently identified as an issue; remove from work plan.
X	X	X	X	<i>State Respite Homes</i>	<ul style="list-style-type: none"> Develop plan for use of homes considering unmet needs and criteria for use 	<ul style="list-style-type: none"> In progress.
X	X	X	X		<ul style="list-style-type: none"> Recruit new home in southeastern part of Vermont 	<ul style="list-style-type: none"> Funds eliminated in FY '02 budget rescission.
X	X			<i>Personal Care Services</i>	<ul style="list-style-type: none"> Work with PATH to explore an interagency agreement to have DS manage PCS funding for DS eligible children 	<ul style="list-style-type: none"> Ongoing work as part of AHS Policy Cluster, including advocacy to effect policy regarding temporary aid to needy families (TANF) funding as it relates to families receiving personal care.

SYSTEMS PLANNING -- UPDATES

Life Cycle				DEVELOPMENTAL SERVICES SYSTEMS PLANNING AND DEVELOPMENT FISCAL YEAR 2002 – FISCAL YEAR 2004 Summary of FY 2002 Activities - continued		
Young Children	Transition Age	Adults	Older Adults			
				Support Area	FY 2002	Comments
	X	X		<i>Supported Employment</i>	<ul style="list-style-type: none"> Work to create equitable access to supported employment services across VT (further develop Randolph and Lamoille County areas for increased VR involvement) 	<ul style="list-style-type: none"> Solidified and increased Lamoille County VR involvement; increased VR involvement in Chittenden County due to closure of Champlain Vocational Services sheltered workshop; increased VR involvement in southeastern Vermont; continue to work on Randolph.
	X	X			<ul style="list-style-type: none"> Change funding priorities to increase employment opportunities 	<ul style="list-style-type: none"> FY '02 budget changes and amendments to funding priorities in December 2001 do not allow new funding to maintain employment; however, funding priority to meet safety needs has been increasingly met by exploring work opportunities.

SYSTEMS PLANNING -- UPDATES

DEVELOPMENTAL SERVICES SYSTEMS PLANNING AND DEVELOPMENT FISCAL YEAR 2002 – FISCAL YEAR 2004

Summary of FY 2002 Activities - continued

Life Cycle				Support Area	FY 2002	Comments
Young Children	Transition Age	Adults	Older Adults			
	X			<i>Transition Supports</i>	<ul style="list-style-type: none"> Develop, support and identify resources to provide services to all “June graduates”, regardless of employment or residential status; consider achieving through expansion of FFF 	<ul style="list-style-type: none"> Significant headway made with legislature on recognizing importance of continuing special education investment by providing adult services; \$200,000 general fund appropriation received.
	X				<ul style="list-style-type: none"> Assure reassessment of graduates who have received services as children to insure comparability with other adults receiving services 	<ul style="list-style-type: none"> Ongoing; full reassessment of eligibility is part of the Equity Committee question around graduate funding; comparability among other adults also evaluated at Equity Committee.
X	X	X	X	<i>Service Coordination</i>	<ul style="list-style-type: none"> Develop infrastructure to support service coordination functions for both independent service coordinators and those that work within provider agencies 	<ul style="list-style-type: none"> DDS staff participated and supported two ISB trainings; DDS staff continue to act as resource for individuals/families wishing to access an ISB, as well as providers with questions; considering development of an ISB registry; working with DA’s/SSA’s to help clarify roles with regard to ISB’s and people/families self-managing or sharing management of services.

SYSTEMS PLANNING -- UPDATES

DEVELOPMENTAL SERVICES SYSTEMS PLANNING AND DEVELOPMENT FISCAL YEAR 2002 – FISCAL YEAR 2004

Summary of FY 2002 Activities - continued

Life Cycle				Support Area	FY 2002	Comments
Young Children	Transition Age	Adults	Older Adults			
X	X	X	X	<i>Service Coordination</i>	<ul style="list-style-type: none"> Explore ways to simplify scope of service coordinator responsibilities (e.g., create statewide information resource service, simplify TCM billing) 	<ul style="list-style-type: none"> Before simplifying, clarity was needed on roles of service coordinators; DDS developed comprehensive listing of service coordination functions; reviewed by waiver workgroup; currently reviewing with DS Directors
X	X	X	X	<i>Community Supports</i>	<ul style="list-style-type: none"> Limit use of “institutional settings”, such as nursing facilities, as community support locations 	<ul style="list-style-type: none"> Completed.
		X	X		<ul style="list-style-type: none"> Periodically disseminate information on options/funding for accessing transportation; explore creative transportation alternatives outside of DDMHS 	<ul style="list-style-type: none"> Worked with DAD and representatives from other AHS departments to pursue transportation funding opportunity; disseminated reminder about available generic transportation options for people to have their transportation needs met.
		X	X	<i>Home Supports</i>	<ul style="list-style-type: none"> Explore creative, safe ways to reduce 24 hour care; develop alternative residential options 	<ul style="list-style-type: none"> Ongoing; number of people receiving 24-hour supports has stayed relatively constant; explored creative communal living opportunity in Hardwick.

SYSTEMS PLANNING -- UPDATES

DEVELOPMENTAL SERVICES SYSTEMS PLANNING AND DEVELOPMENT FISCAL YEAR 2002 – FISCAL YEAR 2004

Summary of FY 2002 Activities - continued

Life Cycle				Support Area	FY 2002	Comments
Young Children	Transition Age	Adults	Older Adults			
X	X	X	X	<i>Crisis/Clinical Services</i>	<ul style="list-style-type: none"> Continue training and increase local human resources to enable positive approaches 	<ul style="list-style-type: none"> Completed Vermont Safety Awareness Training curriculum and initiated localized training around the state; training will be ongoing.
X	X	X			<ul style="list-style-type: none"> Increase clinical capacity in the state for evaluations and direct clinical work 	<ul style="list-style-type: none"> Clinical and Children's Services Manager conducted training and technical assistance on functional analysis and positive behavior support plan development to 8 providers.
X	X	X	X		<ul style="list-style-type: none"> Develop and fund second statewide crisis bed 	<ul style="list-style-type: none"> Completed; second statewide crisis bed operational in southeastern Vermont.
X	X	X	X		<ul style="list-style-type: none"> Expand and fund local crisis response capacity 	<ul style="list-style-type: none"> Partially completed; worked with local providers to expand crisis capacity; funded partially in FY 02; complete implementation needs to be extended until funding is available.
X	X	X	X		<ul style="list-style-type: none"> Assure medical consultations/coordination via nursing is available locally 	<ul style="list-style-type: none"> DDS nursing specialists provided training to providers on the effective use of nurses to provide medical consultations/coordination.

SYSTEMS PLANNING -- UPDATES

Life Cycle				DEVELOPMENTAL SERVICES SYSTEMS PLANNING AND DEVELOPMENT FISCAL YEAR 2002 – FISCAL YEAR 2004 Summary of FY 2002 Activities - continued		
Young Children	Transition Age	Adults	Older Adults			
X	X	X	X	Support Area	FY 2002	Comments
				Communication Supports	<ul style="list-style-type: none"> Ensure systemic and local means for supporting and enhancing communication skills, technology and training 	<ul style="list-style-type: none"> Communication Task Force developed and disseminated a communication resource guide and is currently piloting a guide for developing communication goals for individual ISA's, as well as providing technical assistance to State quality assurance teams about reviewing the quality of meeting individual communication needs; DS and Task Force working to develop action plan to increase focus of the system on increasing individual's communication.

SYSTEMS PLANNING -- UPDATES

Life Cycle				DEVELOPMENTAL SERVICES SYSTEMS PLANNING AND DEVELOPMENT FISCAL YEAR 2002 – FISCAL YEAR 2004 Summary of FY 2002 Activities - continued		
Young Children	Transition Age	Adults	Older Adults			
				Support Area	FY 2002	Comments
	X	X		<i>Offenders with Developmental Disabilities</i>	<ul style="list-style-type: none"> ▪ Secure resources to address recommendations made in the Report to the Legislature on Offenders with Developmental Disabilities as follows: <ul style="list-style-type: none"> > Develop emergency/short term stay/crisis bed > Develop alternative placements to increase security > Earmark funds for high risk offenders > Provide advanced training, clinical supervision and therapy options > Provide reliable, enhanced respite 	<ul style="list-style-type: none"> ▪ Applied for and received grant from US Department of Justice to support: <ul style="list-style-type: none"> > Development of best practices manual > Collaborative, interactive approach to planning and delivering services and supports for sex offenders > Development of materials about the law for people with developmental disabilities > Training of courts, defense attorneys and state's attorneys on sentencing options for sex offenders > Training for supervision staff on best practices for treating and supporting sex offenders > Development of a treatment progress scale for sex offenders.

SYSTEMS PLANNING -- UPDATES

DEVELOPMENTAL SERVICES SYSTEMS PLANNING AND DEVELOPMENT FISCAL YEAR 2002 – FISCAL YEAR 2004

Summary of FY 2002 Activities - continued

Life Cycle				Support Area	FY 2002	Comments
Young Children	Transition Age	Adults	Older Adults			
	X	X		<i>Offenders with Developmental Disabilities</i>	<ul style="list-style-type: none"> Amend Act 248 as recommended in the <i>Report to the Legislature on Offenders with Developmental Disabilities</i> 	<ul style="list-style-type: none"> Succeeded in passing Act 248 amendments through the Senate; however, the House did not take action; will reintroduce in 2003 session.
X	X	X	X	<i>Self-determination</i>	<ul style="list-style-type: none"> Develop Self-Management Handbook 	<ul style="list-style-type: none"> Committee established; identified information needed to be in handbook; roles of DA/SSA (versus person/family self-managing); waiver work group working to clarify supports covered under the waiver.
X	X	X	X		<ul style="list-style-type: none"> Support ongoing development of self-advocacy activities, including resources for self-advocates to be paid trainers 	<ul style="list-style-type: none"> Applied for and received Real Choices Grant in collaboration with DAD; awarded contract to Green Mountain Self-advocates and ARC of Vermont to train self-advocates and family members; requires payment and development of local trainers. <ul style="list-style-type: none"> Financially supported Green Mountain Self-advocates through annual grant; support for national self-advocacy conference. Facilitated increase to fund for the benefit of, and managed by, former BTS residents.

SYSTEMS PLANNING -- UPDATES

DEVELOPMENTAL SERVICES SYSTEMS PLANNING AND DEVELOPMENT FISCAL YEAR 2002 – FISCAL YEAR 2004

Summary of FY 2002 Activities - continued

Life Cycle				Support Area	FY 2002	Comments
Young Children	Transition Age	Adults	Older Adults			
X	X	X	X	<i>System Issues</i>	<ul style="list-style-type: none"> Develop mechanism for annual cost of living increases to support community services 	<ul style="list-style-type: none"> Requested and received cost of living increase in FY 03 budget process.
X	X	X	X		<ul style="list-style-type: none"> Develop accurate and meaningful “waiting list” documentation. 	<ul style="list-style-type: none"> Developed electronic waiting list format and implemented a new waiting list reporting process for monthly reporting.
X	X	X	X		<ul style="list-style-type: none"> Improve understanding of the rights of applicants and service recipients (e.g., accessible complaint and appeals process) 	<ul style="list-style-type: none"> Created and distributed two easy-to-understand informational videos on how to make an appeal or file a complaint.
X	X	X	X		<ul style="list-style-type: none"> Evaluate “systems change” initiatives (e.g., intake process, needs assessment, funding process, etc.) to identify processes that support or inhibit supports for individuals and families 	<ul style="list-style-type: none"> Initiated discussions about streamlining needs assessment process; researching simplified tool for periodic review of needs. Reviewing potential changes to the Regulations Implementing the DD Act.
X	X	X	X	<i>NEW FOR FY 2003</i>	<ul style="list-style-type: none"> Collaboration on newly formed Olmstead Commission. 	

CRITERIA FOR FUNDING

At least 75% of new caseload funds are used for people who meet the new caseload funding priorities *and* the definition of “new consumer.”

New Consumer – a person who:

- *Is new to services (did not receive services in the previous fiscal year);*
- *Is not currently receiving DDS funding (but may be receiving services from a DS provider; for example, PATH-funded personal care services);*
- *Is an existing consumer currently receiving only “minimal services”; minimal services are:*
 - *Flexible Family Funding,*
 - *Enhanced Flexible Family Funding,*
 - *Targeted Case Management (generally averaging 2 hours or less/week), or*
 - *Transition grant-funded employment services.*
- *Experiences the death or loss of an unpaid or minimally paid¹ caregiver providing home supports; or,*
- *Graduates from school or leaves SRS custody during the year.*

Up to 25% of new caseload funds may be used to meet priority needs for people who meet the definition of “existing consumer” and who are experiencing a need consistent with the new caseload funding priorities.

Existing Consumer – a person currently receiving DDS funded services who is not a “new consumer” (see above).

¹ e.g., a residential care home provider.

CRITERIA FOR FUNDING

The following general conditions must be met whenever Division of Developmental Services funding is allocated to meet the needs of any consumer, new or existing:

Meeting the Service System's Standards – Any changes in individuals' current budgets are made first and foremost to assure funding is available to meet New Caseload Funding Priorities for new and existing consumers. Decisions to allocate funding or change any individual's budget must be consistent with the following:

- *The Developmental Disabilities Act of 1996 and corresponding regulations;*
- *Medicaid rules and regulations;*
- *Needs assessment performed during initial intake and periodic review;*
- *Individual Support Agreement Guidelines;*
- *Guidelines for Quality Services; and,*
- *The Developmental Service System Restructuring Plan (1998) and subsequent interpretations.*

Cost Effective Methods – The most cost effective methods of providing services, appropriate to the individual situation, must be used when designing and providing supports. This includes exploration of contracted, self- and family-managed services when appropriate.

Exploration of methods to reduce administrative overhead through the consolidation, simplification, computerization, etc. of business processes and business relationships is important to continuing or improving the percentage of public funds that support individual services directly.

Complying with Limitation on Use of Funds – DDS funding cannot be used to increase the availability of the following services:

- *Sheltered workshops and enclaves (segregated work environments within an employer's setting);*
- *Congregate residential settings for children under 18 years old; or,*

CRITERIA FOR FUNDING

- *Congregate residential settings in excess of 4 beds for adults (age 18 and over).*

DDS funding cannot be used to fund the following services/settings:

- *Institutional settings (e.g., nursing facilities, etc.) for providing “community supports” other than for people living, working or volunteering in the setting;*
- *Residential schools/treatment centers or out-of-state institutional placements (e.g., ICF/MR, nursing facility); or,*
- *Costs for the individual’s room and board in either the person’s normal living environment or any temporary or intermittent locations (e.g., hotels, motels, restaurants, etc.). (Medicaid waiver only.)*

Prioritization of Funding – The developmental services system is responsible by statute to support eligible individuals ***within the funds appropriated by the legislature***. Each year, and particularly in FY 2003 because of reduced appropriations, requests for services exceed the funds available. To target resources to eligible individuals most in need, funding decisions are made in accordance with funding priorities set by DDS² through use of newly appropriated caseload funds **and** through review of potential funding changes for existing consumers.

² See Regulations for Implementing the Developmental Disabilities Act of 1996 Parts 1 and 2.

APPLICANT LIST & WAITING LIST

Each Designated Agency and Specialized Service Agency maintains an *applicant list* of:

- All people (new and existing for DA's; existing for SSA's) who are eligible for services based on their disability, but whose needs do not meet the *System of Care Plan's* funding priorities. These individuals are periodically reviewed at least annually to see if their needs have changed resulting in meeting a funding priority.

Each Designated Agency maintains a *waiting list* of:

- All people (new and existing) who have needs that meet the funding priorities but for whom there are insufficient funds either through legislatively appropriated caseload funding or reallocation of existing resources.

The applicant list and the waiting list must be kept in accordance with Division instructions. Furthermore, all people who meet the New Caseload Funding Priority, "*Support needed to prevent an adult from becoming homeless,*" shall receive funding to meet that need and, therefore, should not be on the waiting list for that service area. Similarly, if someone is experiencing *serious risk to their health or safety*, they should not be on the waiting list for supports to address a serious risk to his or her health or safety. Similarly, individuals who pose a *serious risk to public safety* should not be placed on the waiting list.

This means, however, that the support needed to address the above areas may be provided, but a comprehensive array of supports might not be funded.

EXISTING CASELOAD FUNDING

It is important to note that the vast majority of all resources for services (over \$78 million) are within the existing allocations for Designated Agencies and Specialized Service Agencies for people already receiving services. The use and flexibility of these funds, therefore, needs to be considered. Existing caseload funding:

- *Provides capped funding to cover the needs of existing consumers served by the DA or an SSA.*
- *Provides for changes in existing consumers' budgets to meet needs identified during the periodic review process. During FY 2002 changes in existing consumers' budgets could only be made to meet New Caseload Funding Priorities. This restriction is being lifted for FY 2003 because it was not effective in helping to meet the needs of people who qualified for New Caseload Funding. Because of the continued limitations on the availability of funding, it is important to have flexibility in the use of existing funding.*

This means that changes within already funded areas of support are allowable and can be made without an updated needs assessment. However, decisions made to fund any new areas of support are still made during the periodic review process and can only be changed if an updated needs assessment reveals a serious need in the area and the provider has addressed personal/public safety issues of the individual or others. These provisions take effect July 1, 2002.

- *Provides for the reallocation of existing funding from all individuals (agency-managed; shared managed and self- or family-managed) from services that are no longer needed, or that cost less than anticipated, to meet areas of critical need of other individuals including new consumers³.*

³ Individual budgets and need for services for existing consumers are re-examined at least annually by DAs and SSAs to see if adjustments are necessary. These decisions will be reviewed by DDS through monitoring activities. Once a need has been identified and funding approved to meet the need, the method by which the need is met (e.g., how the service is provided) is still fundamentally the choice of the consumer within the funds available and appropriate uses of state and federal funding.

EXISTING CASELOAD FUNDING

- *Provides a distribution to DAs and SSAs in an amount equal to that received for existing consumers in FY 2002, plus an approximate 1.5% cost of living increase primarily targeted to staff and contractor wage improvement, as well as funding for health insurance increases and other workforce cost increases.*
- *Reverts to the Equity Fund when a person dies (except PASARR specialized services), moves out-of-state, or makes a long-term move to an institutional placement (e.g., jail, nursing facility) or residential school, to meet critical needs of consumers (see Equity Fund – page 28).*
- *Remains with the DA as new caseload funding when individuals previously supported become independent of, or voluntarily leave, DDS-funded services. The DA maintains funding responsibility if the person seeks services in the future. If the individual moves to a region covered by a different DA, the person's existing funding is transferred to the new region that is responsible for providing service, regardless of whether the individual is an active consumer at the time of transfer.*

EXISTING CASELOAD FUNDING PRIORITIES

When reallocating existing funding, DA's are encouraged to provide supports, ***within funding available***, to assist each individual to increase his/her independence as noted below; however, ***funding must first be used to address personal or public safety issues.***

Reducing or Eliminating Unwanted Services

When making reallocation decisions, DAs will consider reducing or eliminating services that are not needed, wanted or valued by people receiving supports.

Improving the Quality of Services

Designated Agencies, SSAs and other providers are expected to focus on improving the quality of services that relate directly to a person's quality of life and/or which prevent greater human or financial costs in the future. One way this may be done is through implementation of Local System of Care Plan initiatives that are not incorporated into the State System of Care Plan.

Funding will be used in creative and innovative ways, individually and systemically, to achieve successful progress in some or all of the following areas specified in Local System of Care Plans and consumer and family surveys:

- | | |
|-----------------------------------|-----------------------------|
| ☞ Employment | ☞ Alternative Home Supports |
| ☞ Social/Recreation/Friendships | ☞ Transition Supports |
| ☞ Respite/Flexible Family Funding | ☞ Transportation |
| ☞ Self-advocacy | ☞ Training |

Maintaining Existing Quality Services

It is essential that supports and services, other than those that fit clearly in the categories above, also be of priority if they help people achieve their desired life goals. This is accomplished by:

- ☞ *Involving the person (and his or her guardian if applicable) when making individual budget adjustments that change the quality and quantity of services;*
- ☞ *Working with the individual to identify the supports and services that are the most economical and cost effective to meet the needs of the person;*
- ☞ *Taking into account the actual benefit and proactive nature of services for each person when shifting funding; and,*
- ☞ *Not reducing supports or services to an individual if it will endanger the health, or safety of the person⁴.*

⁴ If there is a proposed reduction or termination of supports or services, the person will be advised, in writing and in another method that is understood, if necessary, of his or her right to appeal.

NEW CASELOAD FUNDING

At all times, but particularly in difficult economic times, the efficient use of resources is important to the efforts to sustain an effective system of services for Vermonters with developmental disabilities. It is the role of the developmental services system to support communities – not to substitute for them. To that end, new caseload funding is used in accordance with the following parameters:

- *Funding may be provided to support, not take the place of, the role of family and community – community and family resources must be used to the fullest extent possible.*
- *Alternative funding must be unavailable or insufficient. Waiver funding may be used only for services that cannot be funded through other private or public means, or as a Medicaid State Plan Service.*
- *Funding may not duplicate services that are the responsibility of other support systems.*
- *Funding must be consistent with the system's standards and limitations (see pages 18 and 19).*

New caseload funding is used to support eligible individuals whose needs fit the priorities listed on the following table (page 25). Funding requests may often stem from critical life situations, but ***it is expected that DAs will be thoughtful and creative in making funding decisions that anticipate and prevent circumstances that may lead to individuals going into crisis.*** How funding is actually used is relatively flexible as long as the support directly addresses a priority area of need and is within guidelines for use of state and federal funding.

Within the resources appropriated by the legislature, it is the goal of the developmental services system to assist eligible people who have need for support brought about by the following circumstances to have those needs met:

NEW CASELOAD FUNDING

Health & Safety

- ☞ Support needed to prevent an adult from being abused, neglected or exploited, or otherwise having her health and safety jeopardized. 12/01/01
- ☞ Support needed to prevent an adult or child from regressing mentally or physically⁵.

Security

- ☞ Support needed to keep 12/01/01 (SING HOMES FOR MEDICALLY ELIGIBLE & RESIDENTIAL SCHOOL replace the 12/01/01 LIMIT TO 2 HOURS/WEEK SERVICES COORDINATION OR bills, etc.).⁶
- ☞ Support needed for parents with developmental disabilities to provide training in parenting skills to help keep a child under 18 at home. Services may not substitute for the parent and may not replace the regular role and expenses of parenting (e.g., childcare, transportation, household bills, etc.).
- ☞ Support needed to prevent an adult from becoming homeless.
- ☞ Support needed by an adult who is experiencing the death or loss of a caregiver⁸.
- ☞ Support needed to prevent or end institutionalization (i.e., VSH, psychiatric hospitals, ICF/MRs, nursing homes) or residential school placements.

12/01/01

12/01/01

- ☞ Support needed to keep a person from losing a job.
- ☞ Support needed to assist an adult to be independent from DDS-funded services, or to move to “minimal services,” within 2 years.

Legally Mandated Services & Community Safety

- ☞ Support needed by an adult who has been committed to the custody of the Commissioner of DDMHS pursuant to Act 248.
- ☞ Support needed to prevent an adult who poses a risk of public safety from endangering others⁹.
- ☞ Support needed by a person in a nursing home for specialized services or community placement under the requirements of federal law (i.e., OBRA '87).

⁵ This includes equipment and modifications that may be needed to prevent an adult or child from regressing. This is not intended to substitute for other responsible public services (e.g., public education, child welfare, health insurance, etc.)

⁶ Services can cover extraordinary costs as a result of the child's developmental disability.

⁷ Families are eligible for Flexible Family Funding in accordance with the *Flexible Family Funding Program Guidelines*.

⁸ Caregiver means an unpaid or minimally paid (e.g., a residential care home) caregiver.

⁹ Based upon past known behavior (e.g., arrested for serious offense, substantiated sexual abuse, under restraining order because of dangerous conduct, etc.). Not intended to substitute for or replace Corrections supervision for people who have committed and been convicted of a crime.

NEW CASELOAD FUNDING

Other Considerations

- *Within the context of less than normal appropriations for new caseload and the top priorities for public funding of supports for people with developmental disabilities being personal safety of individuals and the safety of the public, the following New Caseload Funding Priorities, or portion thereof, will be suspended if resource conditions warrant:*
 - *Support needed for parents with developmental disabilities to provide training in parenting skills to help keep a child under 18 at home.*
 - *Support needed by a person in a nursing home for specialized services (**limit to maximum of 5 hours/week**). (Community placement of a person desiring to leave the institutional setting would remain a funding priority.)*
- *FY 2003 marks the final transition to locally-managed funding for people with pervasive developmental disorders. There is no separate state or local fund or funding priorities for individuals with PDD.*
- *Any unused resources for individuals who do not receive all or a part of the service for which funding is allocated are returned to the local caseload, Equity fund, or PASARR fund, as applicable.*
- *Any funds remaining in local caseload allocations at the end of the fiscal year revert back to the State to be reallocated in the following year's allocations.*
- *For a person who currently lives in another state, that state, or other source, may be willing to pay for bridge funding in Vermont for a period of at least one year. DDS may facilitate such an arrangement. When bridge money ends, the person needs to meet funding priorities as a new consumer in order to receive support.*
- *A person who has been out of services voluntarily, (e.g., temporarily living elsewhere, trying to be independent of the system), retains his*

NEW CASELOAD FUNDING

or her eligibility for services for up to two years, but must meet new caseload funding priorities to access funding.

- *A person who leaves services temporarily (i.e., to go to a correctional or nursing facility), retains eligibility for services¹⁰, but must meet new caseload funding priorities to access funding upon leaving the facility.*

¹⁰ See Regulations for Implementing the Developmental Disabilities Act of 1996 Parts 1 and 2.

EQUITY COMMITTEE

The Equity Committee is comprised of five DA representatives and two self-advocates or family members. The Committee manages the following funds:

Equity Fund

Each DA is allocated a share of new caseload funding to manage for its local geographic region. In contrast, the Equity Fund is a statewide resource that contains funding returned because a consumer has died, gone into an institution, left the state or not used funding granted during the year by the Equity Committee. The Fund supplements agency allocations, based on specific requests from local funding committees, when local resources are insufficient to meet new caseload funding priorities for eligible consumers. The Equity Fund also provides funding for any young adult aging out of SRS custody who meets eligibility and new caseload funding priorities. The purpose of the fund is to assure that no particular designated agency suffers undue hardship as the result of extraordinary needs of people with disabilities and their families in the region.

High School Graduate Fund

High school graduate funding is provided to individuals who meet graduation requirements and exit high school during the year. Sometimes referred to as “June Grad funding,” it is not limited to those individuals who graduate in June. In order to receive funding, high school graduates must have needs that meet the new caseload funding priorities (see page 25).

The local funding committee first reviews funding applications, but because of limited resources for high school graduates, the statewide Equity Committee manages the high school graduate funding. For FY 2003, the legislature appropriated \$534,331 (\$200,000 GF). If targeted graduate funding is insufficient for individuals who otherwise meet the funding priorities, the individual has access to the Equity Fund or local caseload funds as available.

ONE-TIME FUNDING

When new caseload funding is approved, the general fund amount needed to support a full year of services is committed. This assures that funds to pay for a full year of services are built into the base budget. The balance of the general fund allocation that is not needed for supporting the person that first year creates resources known as one-time funding.

One-time funding is used for one-time, temporary or short-term expenditures (it may not be used for ongoing needs) that directly assist people with disabilities and their families, or to cover the costs of implementing the regulations from the DD Act of 1996. This funding is available to both new and existing consumers, as well as to support systemic needs (e.g. investments to increase support for self-advocacy activities; expanding crisis capacity; developing additional housing and home support options, etc.).

These funds are maintained at the Division for use by providers and/or the Division in meeting the one-time funding priorities (see page 30). The Division will consult with local funding committees or the Equity Committee as appropriate, for any use requested by the Division.

One-time funding is created through two funds:

- 1) ***Local Caseload*** allocations; and.
- 2) ***Equity Fund*** allocations.

In FY 2002 some uses of one-time funding were suspended. These restrictions were not effective in helping to meet the needs of people with developmental disabilities in the system, and may have proven counter-productive. Therefore, because of the continued limitation on the availability of funding, it is important for there to be flexibility in the use of one-time funding. It should also be noted that because of lower levels of new caseload funding, one-time dollars will also be lower. All original one-time funding priorities are being reinstated as of July 1, 2002.

ONE-TIME FUNDING

Individual and/or Family Priorities

- ⌘ *One-time allocations to address personal or public safety issues for individuals with developmental disabilities.*
- ⌘ *One-time allocations of Flexible Family Funding to people with disabilities and families in need.*
- ⌘ *Short-term increases in supports to a person already receiving services to resolve or prevent a crisis.*
- ⌘ *Assistive technology (e.g., adaptive equipment, home modifications to make the person's residence accessible) and other special supports and services not covered under the Medicaid state plan.*
- ⌘ *Supports that may not meet New Caseload Funding Priorities but are proactive and/or short-term in nature.*
- ⌘ *Transitional support to assist an adult to become independent of DDS-funded services.*

System Priorities

- ⌘ *Small grants to self-advocates, families and others for innovative programs, plans or training that promote the principles of services as stated in the Developmental Disabilities Act of 1996.¹¹*
- ⌘ *Implementation of the Training and Special Care Procedure regulations for the Developmental Disabilities Act of 1996.*
- ⌘ *Implementation of Local System of Care Plan initiatives that are not incorporated into the State System of Care Plan.*

¹¹ *Developmental Disabilities Act of 1996, 18 V.S.A. § 8724 (see Principles section).*

SPECIAL PROGRAM ALLOCATIONS

Transition from Sheltered Work to Supported Employment

Consumers consistently report the desire to work in regular, employer-paid jobs as being one of their top priorities. On June 28, 2002 when Champlain Vocational Services closed its sheltered workshop, Vermont made a statement that people with disabilities belong in the workplace, right along side the rest of Vermont's working age citizenry. Champlain Vocational Services underwent a significant planning process, gaining support from the Division of Vocational Rehabilitation, reallocating existing resources, and securing continued United Way funding. An allocation of \$10,000 in state general funds, which can be matched with Medicaid waiver funding, has been made in FY 2003 to complete this transition process.

DDS Administered Funds

DDS administers two small funds that cover dental services, adaptive equipment and other ancillary services not covered by Medicaid and unanticipated services for individuals receiving public guardianship but not served by Designated Agencies. Funds for FY 2003 are allocated as follows:

- *Special Services Fund* \$ 30,000
- *Guardianship Services Fund* \$ 19,000

Joint Funding

Joint funding arrangements for Medicaid waiver and targeted case management involving other state agencies (e.g., Department of Social and Rehabilitation Services, Department of Corrections, Division of Mental Health), and/or out-of-state organizations, must involve the Division of Developmental Services in negotiation and receipt of funds. Providers may contract directly with local schools to provide services that are not funded through the Medicaid waiver or targeted case management. However, any current service arrangements involving local schools and use of the Medicaid waiver that have not expired continue to require involvement and approval of the Division.

SPECIAL PROGRAM ALLOCATIONS

PASARR¹² Funding

Individuals who live in nursing facilities who need specialized services are funded under Nursing Home Day Rehabilitation and prior authorized on an individual basis by the Division of Developmental Services. Allocations for existing consumers remain the same as long as the person's needs remain the same.

If a person who had waiver funding moves to a nursing facility and needs specialized services, a portion of his or her waiver money is converted to Nursing Home Day Rehabilitation funding to pay for specialized services. If a person needs specialized services and is not supported under the waiver, funding comes from the revolving PASARR fund. If a consumer dies or stops receiving specialized services, the funds are added back to the revolving PASARR fund. The Division of Developmental Services may review circumstances involving temporary nursing facility placements on a case-by-case basis. If a person receiving specialized services moves out of a nursing facility, his or her specialized services funding can be converted to waiver funding to support the community-based services. The balance of the waiver costs for a person moving from a nursing facility to a community placement comes from the DA's new caseload funding or Equity Fund.

¹² "Pre-Admission Screening and Resident Review" for people with developmental disabilities in, or at risk of entering, a nursing facility.

